LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY**, **FEBRUARY 23**, **2010**, upon the application of **EXCO OPERATING COMPANY**, **LP**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Haynesville Zone**, **Reservoir A**, in the Kingston Field, DeSoto Parish, Louisiana.

- 1. To permit the Applicant to drill, designate and utilize seven (7) horizontal laterals for HA RA SUF, seven (7) horizontal laterals for HA RA SUG and seven (7) horizontal laterals for HA RA SUH as alternate unit wells for the production of gas and condensate from the Haynesville Zone, Reservoir A, such units and proposed horizontal laterals shown on the plats submitted with the application.
- 2. That with respect to the proposed horizontal well to be drilled to the Haynesville Zone, Reservoir A, within or to serve the HA RA SUF, HA RA SUG and HA RA SUH, where the horizontal portion of the well is cased and cemented back above the top of the Haynesville Zone, Reservoir A, the distance to any unit boundary and any offset well(s) should be calculated based on the distance to the nearest perforations in the well and not based on the penetration point.
- 3. To find that additional alternate unit wells are needed on the HA RA SUF, HA RA SUG, and HA RA SUH to assist in draining a portion of the Haynesville Zone, Reservoir A, that cannot be drained by any other well located within each unit.
- 4. To permit the unit operator to produce the assigned unit allowable from the unit well, the alternate unit well or from a combination of all wells, at its discretion.
- 5. To consider such other matters as may be pertinent.

The Haynesville Zone, Reservoir A was defined in Office of Conservation Order No. 376-D, effective November 18, 2008.

Plats are available for inspection in the Office of Conservation in Baton Rouge and Shreveport, Louisiana.

http://dnr.louisiana.gov/conshearings

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, LA 2/5/10;2/10/10 S lck

IN ACCORDANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED ASSISTANCE, PLEASE CONTACT THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN FIVE (5) WORKING DAYS OF THE HEARING DATE.